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CENTRAL INTELLIGENCE AGENCY

8 September 1964

SUBJECT: ~~SRIE~~ 53-64: CHANCES FOR A STABLE GOVERNMENT IN
SOUTH VIETNAM

THE PROBLEM

To assess the chances for the emergence of a stable non-
Communist regime in South Vietnam.

CONCLUSION

At present the odds are against the emergence of a stable
government capable of effectively prosecuting the war in South
Vietnam. Yet the situation is not hopeless: if a viable regime
evolves from the present confusion it may even gain strength
from the release of long-pent pressures and the sobering effect
of the current crisis. Of the men on the scene, General Khanh
probably has the best chance of mustering sufficient support to
restore a reasonably stable and workable government.

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DISCUSSION

1. The downfall of the Diem regime released powerful political forces previously suppressed or underground. Religious groups, principally the Buddhists, the students, labor, and the diverse array of intellectuals and politicians both at home and in exile moved quickly to voice their aspirations and make themselves felt. These cross currents were reflected within the military establishment, particularly among the senior officers. The struggle among these various forces can be expected to continue until an acceptable balance is struck, one group proves strong enough to dominate the others, or the fabric of central government is torn apart.

2. The convulsions of recent weeks have surfaced and exacerbated these deep-seated divisions and strains. They have intensified reciprocal suspicions between the military leadership and segments of the populace, at least in urban areas, increased disunity within the military establishment itself, and produced serious discord, including religious strife, among the civilians. The present situation is far more serious than that of November 1963, for the Viet Cong are now stronger, and in 1963 popular enthusiasm over Diem's ouster gave his immediate successors a degree of general support and period of grace the present shaky government does not have. Furthermore, the events

of the past nine months have inevitably increased sentiments of war weariness and frustration, and probably caused "neutralism" (i.e., an end to the constant struggle) to appear increasingly attractive to many. Also, the factors inherent in the US/GVN relationship have caused some rise in anti-American feeling, which probably will grow.

3. The situation is fragile and vulnerable to attack or exploitation from all sides. It affords obvious opportunities to any person or group reckless or ambitious enough to undertake a coup. There are indications of such plotting by at least two groups: disgruntled Dai Viets allied with officers who presently command key military units, and another group influenced by Colonel Pham Ngoc Thao. Among the civilian population some Buddhist and Catholic leaders appear to be trying to avoid new violence, but the spectre of religious strife has not been laid to rest. Recent Buddhist demands have alarmed the Catholics and militants of either persuasion may provoke fresh crises. While some civilian politicians wish to play a constructive role, most remain more concerned with personal power and prestige than national unity. The students seem to be calming down, but this volatile group remains vulnerable to manipulation from various quarters, including the Viet Cong and, perhaps, the French.

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4. The present governmental arrangements are likely to undergo several changes during the next few weeks. The shaky solution evolved amid riot and discord -- a sixty-day caretaker government headed by an ostensible triumvirate of rival generals -- was patently a stopgap. Some other arrangements will be tried -- perhaps in connection with the proposed National Congress. Beyond the immediate crisis over governmental arrangements, however, there is the question of whether any stable regime can emerge, capable of effectively prosecuting the war. On present evidence, chances of this outcome must be rated as less than even.

5. The situation in South Vietnam is so fluid and complex, however, that those developments which appear most likely will not necessarily occur -- as, indeed, they have not on many occasions in both ancient and recent Vietnamese history. There is a chance, even if it be slight, that the experiences of the last week or so may ultimately prove salutary, that the situation had to get worse before it could get better. In the political chaos and conflict, some longstanding pressures have been released, some smoldering grievances and quarrels have been aired and possibly ameliorated, and the dangers implicit in continued drift have been made more real. It is not impossible that adroit leadership could turn these conditions to advantage in convincing

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influential figures of the need for national unity under available leaders, imperfect as they may be.

6. The real relationships of the persons and groups involved in the present situation are obscure.* It is not clear how much power General Khanh actually retains or what role he will play in forthcoming weeks. In some respects, recent events have damaged him politically. At least some of his military colleagues are obviously unhappy at what they regard as his weakness in the face of Buddhist and student disorder. On the other hand, his manifest reluctance to use force against protesting civilians may lay to rest longstanding civilian suspicions that he is a neo-Diemist anxious to reverse the verdict of November 1963 and restore a Can Lao dictatorship. His courageous willingness to stand alone and unarmed amidst demonstrating crowds won him personal respect.

7. In the context of present realities Khanh probably has a better chance than any other obvious figure of providing the leadership around which a stable government could be built. His success in this venture, however, is far from assured. Even if he himself shows the necessary astuteness and willingness

* See Annex

to tackle the task his success will depend to a great degree on the willingness of other influential figures (e.g., General Khiem, General Minh, and Tri Quang) to lend him support or, at a minimum, to refrain from working actively for his downfall. General Minh in particular probably retains enough prestige so that a government which did not have his participation, or at least his approval, would have considerably lessened chances of survival.

8. There are, of course, several possibilities other than a government in which Khanh plays the paramount role. Some new figure may arise or some already prominent personality may prove to have hidden talents or unsuspected support. However, at the moment every likely alternative candidate has individual drawbacks or enough known opposition to cast serious doubt on his ability to provide unifying leadership. Several groups or figures seem strong enough to exercise what amounts to a de facto veto in the business of creating a government. Although it is possible that some individual or faction may succeed in overthrowing the present government, none -- other than Khanh -- presently seems capable of holding power.

9. The longer the present unstable situation lasts, the more difficult it will be to form a government which can

preserve even the appearance of unity and determination. In such circumstances, neutralist sentiment would almost certainly increase, together with the danger that a loosely organized coalition would emerge which could take advantage of frustration and war weariness to seek a neutralist solution. In the prolonged absence of firm central direction from Saigon, the morale and effectiveness of individual unit commanders in the field will decline, and there is even the danger that some might make their own accommodations with the Communist enemy. There is also a chance that some province or region will secede, and there are already rumors of separatist tendencies in Hue.

10. On the other hand, except for tensions in Hue, there is as yet little sign of the imminence of such dire developments. Furthermore, in weighing the situation in South Vietnam it is important not to focus exclusive attention on events in urban areas. During the past month, the war in the provinces has been carrying on, the army shows no signs of slackening its efforts and, indeed, has recently scored two major successes. Local officials have probably adopted the traditional Vietnamese wait and see attitude rather than taking actions which might jeopardize their own position. Prolonged discord in the cities

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will inevitably affect the rural pacification effort, but so far the limited momentum which the counterinsurgency effort had in the provinces has not diminished.

11. The Viet Cong obviously are not indifferent to South Vietnam's current troubles. Hanoi and Viet Cong propaganda emphasizes that the Communists expect victory to come primarily from South Vietnamese political failures and instability. There is no evidence that the Viet Cong triggered the recent actions which led to urban upheaval, but the Communists have almost certainly been actively encouraging discord and violence (eleven of those arrested as directly responsible for the worst of recent disorders in Saigon were claimed by the police to be known VC agents). Militarily, recent weeks have been marked by an actual decline in VC attacks, though this "lull" is probably a normal phase and there are signs that the VC may now be preparing to step up their activity. Judging from past experience, it will take some time for the VC to ready themselves to take full advantage of recent developments. Also, the Communists may wish to avoid the risk of increasing the obvious VC threat to a point where it might unify anti-Communists presently engaged in internecine political strife.

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12. Some of the recent agitation against Khanh's government has had anti-American undertones. In some circles there is a belief that the US prodded Khanh into attempting to eliminate Minh as chief of state and into resuming the kind of tight controls formerly exercised by Dien. Minh himself is manifestly resentful of what he regards as US undercutting of his position (though Khanh too has been uneasy about what he considers US endeavors on Minh's behalf). There has been a growing anti-American feeling among some Catholics who blame the US for Dien's overthrow and resent what they consider US favoritism of the Buddhist cause. In some military quarters (e.g., General Khien) and probably in some civilian circles as well there is resentment at what is inevitably viewed as US "meddling" in internal Vietnamese affairs.

13. Communist -- and possibly also French -- agents have encouraged and exploited anti-US sentiments. The idea is also being circulated that South Vietnam is really a battlefield on which two alien powers, the US and Communist China, are waging war by proxy. It is likely that anti-American sentiment will grow.

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ANNEX

POLITICALLY INFLUENTIAL INDIVIDUALS AND PRINCIPAL
POWER FACTORS IN SOUTH VIETNAM

1. General Nguyen Khanh: Khanh, who remained titular Premier and a member of the ruling triumvirate in the governmental structure devised on 23 August, has come out of seclusion and taken over the reins of control again -- at least temporarily. On 1 September, leading military officers swore allegiance and signed loyalty pledges to Khanh, but Khanh's military support is not as solid as this would indicate, and much of it might evaporate in a serious coup challenge. Khanh currently seems to have the support of Buddhist leaders, partly because of his willingness to accommodate their demands. This support, however, could swiftly dissipate if Khanh's general political influence should wane or if he should fail to make good on Buddhist demands. In essence, Khanh is the first choice of few but, apparently, the acceptable second choice of many. He probably has little remaining Catholic support at present. His break with the Dai Viets seems irreparable. Khanh's unsuccessful mid-August attempt to acquire plenary powers has caused him to lose much face, especially among the military, and probably alienated most students and traditional

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politicians, even though some of the latter privately acknowledge a present need for a strong central government. One of Khanh's strongest cards is his obvious US backing, though this in itself is also causing some resentment and could be used against him in certain contexts.

2. For a time, it looked as if recent events had undermined Khanh's confidence in his ability to outmaneuver his rivals and sapped his will to continue the struggle in the political arena. After a brief rest, he seems to have re-entered the fray, but it is still not entirely clear how he intends to play his hand.

3. General Duong van Minh: Minh may soon regain his former position as titular Chief of state. Many officers have become disenchanted with Minh's lack of leadership qualities and an increasing number of senior officers (e.g., General Khiem) are becoming annoyed at Minh's reluctance to accept responsibility, despite his appetite for prestige. Nonetheless, he still remains a generally popular figure with the troops and many segments of the civil populace, his name has considerable magic, and he could easily be used as a cat's paw by some faction. Symbolically, he is a hero to the Buddhists chiefly because of his role in ousting

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Dien. Buddhist leaders apparently want Minh retained in a key position, though they recognize his personal shortcomings. The same reasons which make Minh attractive to the Buddhists make him anathema to the Catholics. At the moment he seems to be playing a fairly constructive role, but given his past performance and personality, Minh is more likely to become a divisive than a unifying element in the Vietnamese political scene. He does not like Khanh, resents what he considers the latter's usurpation of power, and is unlikely to give more than lukewarm support, at best, to any government in which Khanh plays a predominant role.

4. General Tran Thien Khien: With his customary political agility, General Khien has clung to power through the recent crisis and still appears to be in control of the armed forces -- though he has apparently submitted his resignation as Minister of Defense. Khien participated in both the November and January coups, and many officers owe their jobs to him. His penchant for intrigue, however, seems inconsistent with true leadership, and he is a principal target of Buddhist and student critics. Khien has preferred to work through Khanh and in allegiance with Dai Viet officers -- including his deputy, General Thieu -- who command much of the striking power in the Saigon area. He has

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called Khanh a "US puppet", and said he was tired of having the Americans meddle in internal Vietnamese affairs. His degree of influence and authority in the military establishment gives him considerable political power, but he probably has too many powerful opponents to be able to serve as the head of a stable government.

5. Other Military Figures: The military establishment still holds the key to stability in South Vietnam, but its leaders now are probably shaken by an awareness that they cannot dictate to a recalcitrant public. Furthermore, the military remains factionalized around various generals. Most of the generals, including the three discussed above, may prefer to bide their time while trying to work out a base of power or a political alliance with various groups. There is a good chance, however, that some military faction -- the Dai Viets, perhaps with Khiem, or constant intriguers such as Colonel Pham Ngoc Thao, General Do Mau, or others -- may try to seize control by a military coup.

6. The D-1at Generals: Generals Le van Kim, Tran van Don, Ton that Dinh, and Mai huu Xuan -- the quartet arrested when Khanh took power in January 1964 -- still seem to be on the political sidelines. Khanh's attempt to have them participate in the Military Revolutionary Committee meetings of 26 and 27 August was

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voted down by a majority of the MRC. Nevertheless, there are still friends and former proteges of these officers who feel they have been unjustly treated and the fact that their status has not really been resolved to anyone's entire satisfaction constitutes a continuing political irritant, especially in the military establishment. If, instead of cooperating, the present paramount generals (especially Khanh, Khiem, and Minh) should knock each other out of the ring, the Delat quartet (particularly Kim or Don) might assume a more active role. They are unlikely to lend much support to Khanh, but might well form an alliance with Minh, particularly if the object of that alliance were to unseat Khanh.

7. Nguyen Xuan Oanh: Vice Premier Nguyen Xuan Oanh, a Harvard-trained economist who served as "acting premier" in Khanh's absence, now seems to have stepped down, but could still emerge in a key position. Oanh is a technically competent administrator not known to be allied with any political or military faction. As such, he may prove to be a neutral figure who can keep the government machinery running until the situation is somehow stabilized. Oanh is probably deemed acceptable to the Americans, although General Khanh personally does not like him. Oanh's political abilities are questionable, and he seems unlikely to emerge as a real leader.

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6. Nguyen Ton Hoan and the Dai Viets:* Nguyen Ton Hoan, Vice Premier for Pacification, and leader of the southern faction of the Dai Viet Party, has tendered his resignation from the government and is now on "vacation" in Hong Kong. His political future is uncertain. All Dai Viet elements, particularly Hoan's faction and to a lesser extent the predominantly northern splinter group to which Foreign Minister Quat belongs, are critical of Khanh. Khanh's public denunciation of Hoan has almost certainly ruled out any future accommodation with the southern Dai Viets. This group has only a small popular base, but has been using its semi-official position to recruit in the provinces. It retains adherents in some key military commands and security positions. The Dai Viets now seem to be allying with General Khiem, with Hoan hoping ultimately to become prime minister. The Dai Viets do not appear wedded, however, to a solution involving leadership by either Khiem or Hoan. They probably would support Minh if he would permit the party an influential role. In any event, the Dai Viets, particularly Hoan's Faction, seem more interested in obtaining power than in contributing to national unity.

* The Nationalist Party of Greater Vietnam, commonly called the Dai Viets, was founded during the 1930's and reached its height under the Bao Dai regime (1949-1954) with its chief influence in North Vietnam. It splintered into numerous factions after 1954, among which were the northern factions headed by Drs. Phan Huy Quat and Dang Van Sung and a smaller but more militant southern faction headed by Dr. Hoan.

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9. The Buddhist Leadership: The goals of the Buddhist leadership are still unclear. There are signs of continuing internal divisions among them despite the fact that the militant Thich Tri Quang obviously has been their paramount spokesman in the current crisis. Quang has a low personal regard for General Minh, but is prone to give Minh public backing as a counterpoise to other generals the Buddhists do not like. He considers Khien anathema, more because of Khien's association with the Diem regime than because of his nominal Catholicism, even though Quang equates the two. The Buddhists were lukewarm toward Khanh's takeover last January, and embittered by his 16 August charter. Nevertheless, they are presently backing Khanh's leadership partly because of his apparent willingness to come to terms with them in an effort to curb his own rivals, and partly because the Buddhists fear the consequences of his overthrow. The Buddhists apparently want to retain their new-found political leverage and fear re-emergence of Diem's followers and of Catholic influence.

10. Thich Tri Quang: Tri Quang may symbolize Buddhist aims, but his personal motives are more complex. He is the head of the Association of Buddhist Monks in Central Vietnam and one of the most influential and militant members of the Buddhist hierarchy.

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There continues to be no firm evidence that Tri Quang is pro-Communists, or pro-neutralist. There is little question, however, that he aspires to be a powerful behind-the-scenes political force. There is considerable question about the compatibility of his ultimate aims with US interests.

11. The Catholics: Catholics have been apprehensive since the overthrow of the Dien regime. Although more favorably inclined toward Khanh than toward Minh, they remain wary of Khanh's intentions. They strongly endorsed the 16 August charter, which seemed to promise a firmer direction of the war against the Viet Cong, but they now seem to regard Khanh as having capitulated completely to the Buddhists and students. They apparently look to General Khien as their preferred leader and they may be increasingly sympathetic to elements of the Dai Viet Party, although up to now the Buddhist labelling of the Dai Viet as a pro-Catholic party has been unjustified. Most Vietnamese Catholics would probably be satisfied with a government giving promise of effective leadership and guaranteeing them equal rights and equal participation. A militant minority identified with Father Hoang Quynh, fearing both Buddhist vengeance and loss of Catholic privileges, continues to distrust almost all Buddhists and to press for a Catholic-oriented regime. This minority has complicated the events of recent days and is capable of creating fresh crises at any time.

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12. The Students: Buddhists, and Tri Quang in particular, exercise a strong influence on Vietnamese students, whose sympathy with the Buddhist campaign against Diem brought them for the first time into a national political role. Students were the first to agitate against Khanh's assumption of "dictatorial power." They seem to have been moved by a variety of factors: idealism, fear of a return of Diemist rule, war-weariness, and opposition to conscription. They may also have been manipulated by rival political factions, by Buddhist leaders, by politically-minded professors, by the Viet Cong, by the French -- or, most likely, by all of these at various times and in various ways. The students are almost certainly not under full control of Tri Quang, despite his boasts, and a few of them now back Khanh. There are several responsible student leaders, but students represent a potential factor for instability.

13. Other Non-Communist Political Groups: The only other political party with any discernible influence, the Nationalist Party of Vietnam (VNQDD), has a base of strength primarily in the northern provinces of South Vietnam. There is some evidence that the Buddhists, and some of the more radical Hue University professors who opposed both Khanh and Khiem, have VNQDD ties. Many of the traditional Saigon politicians aspire only to positions of personal

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power, although they are more favorably inclined toward Minh than Khanh or Khiem.

14. The religious sects, the Cao Dai and Hoa Hao, have taken no stand in the recent crisis. Their military cooperation was first sought by Minh, but brought to fruition under Khanh, and they probably still support Khanh. The growing importance of the sects as a source of recruits for Regional Force companies in several delta provinces may make them an increasing political force.

15. The Viet Cong: There is no evidence that the Viet Cong instigated or are responsible for recent actions which have led to urban and political upheaval in South Vietnam, though some of the recent violence and some of the anti-American manifestations were probably due to, or intensified by, Viet Cong agent activity. The success of the Buddhist campaign against Diem has led the Communists increasingly to emphasize the importance of the "political struggle" in the cities; and propaganda from both Hanoi and the "National Liberation Front" emphasizes that the Communists expect victory to come primarily from political paralysis in Saigon. In a fluid confused situation, the Communists obviously have considerable capacity for mischief making. There are some

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grounds for suspecting that, in addition to contributing to urban violence in Saigon and elsewhere, the Communists may be in some measure behind current political tensions and manifestations of separatist tendencies in Hue. (Le Khac Quyen, the Hue professor who has recently founded a "National Salvation Council" and seems to be actively opposing all compromises reached in Saigon to defuse the current situation, has long been accused by his opponents of having Communist affiliations.) Communists opportunities for maneuver, pressure, and disruption will obviously increase if political instability and uncertainty in Saigon is prolonged and if popular passions continue to be aroused over religious differences.

16. The French: We have no evidence of any direct or indirect French hand in recent South Vietnamese political difficulties, which are being viewed in Paris as an "inevitable" development. However, the volatile students certainly constitute the element of South Vietnamese society to which the French have the greatest access (through their educational influences, especially the teachers France provides). At a minimum, it is evident that recent South Vietnamese difficulties have been helpful to the French policy of advocating neutralism and negotiation by creating an atmosphere which lends support to the argument on which this policy is ostensibly based -- i.e., the argument that the political situation in South Vietnam is bound to deteriorate and that no anti-Communist group is capable of generating enough popular support to be able to defeat the Viet Cong.

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